UNITED STATES PATENT AND TRADEMARK OFFICE

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/833,049	04/11/2001	Edward J. Hogan	AP33154-070457.1000	2377

			EXAMINER
21003	7590	11/17/2006	BACKER, FIRMIN

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ART UNIT	PAPER NUMBER
3621	

DATE MAILED: 11/17/2006

Please find below and/or attached an Office communication concerning this application or proceeding.

PTO-90C (Rev. 10/03)

	Application No.	Applicant(s)
Office Action Summary	09/833,049	HOGAN ET AL.
	Examiner	Art Unit	
	FIRMIN BACKER	3621	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE <u>3</u> MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.
- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
  Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1)☒ Responsive to communication(s) filed on *28 August 2006*.

2a)☒ This action is **FINAL**.   2b)☐ This action is non-final.

3)☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4)☒ Claim(s) *1-5 and 7-16* is/are pending in the application.

     4a) Of the above claim(s) _____ is/are withdrawn from consideration.

5)☐ Claim(s) _____ is/are allowed.

6)☒ Claim(s) *1-5 and 7-16* is/are rejected.

7)☐ Claim(s) _____ is/are objected to.

8)☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9)☐ The specification is objected to by the Examiner.

10)☐ The drawing(s) filed on _____ is/are: a)☐ accepted or b)☐ objected to by the Examiner.

     Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

     Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11)☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12)☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

     a)☐ All   b)☐ Some * c)☐ None of:

       1.☐ Certified copies of the priority documents have been received.

       2.☐ Certified copies of the priority documents have been received in Application No. _____.

       3.☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

     * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1) ☒ Notice of References Cited (PTO-892)

2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)

3) ☒ Information Disclosure Statement(s) (PTO/SB/08)
     Paper No(s)/Mail Date _____.

4) ☐ Interview Summary (PTO-413)
     Paper No(s)/Mail Date. _____.

5) ☐ Notice of Informal Patent Application

6) ☐ Other: _____.

DETAILED ACTION

Response to Arguments

1.   Applicant's arguments with respect to claims 1-5 and 7-16 have been considered but are

moot in view of the new ground(s) of rejection.

Claim Rejections - 35 USC § 112

2.   The following is a quotation of the second paragraph of 35 U.S.C. 112:

> The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the
> subject matter which the applicant regards as his invention.

3.   Claims 1 is rejected under 35 U.S.C. 112, second paragraph, as being indefinite for

failing to particularly point out and distinctly claim the subject matter which applicant regards as

the invention.

4.   Regarding claim 1, the phrase "on that code" renders the claim indefinite because it is

unclear as to which code Applicant is referring to since they are many code in the disclosure.

Applicant is required to specifically stated what that code is.

Claim Rejections - 35 USC § 102

5.   The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the

basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

6.   Claims 1-5 and 7-16 are rejected under 35 U.S.C. 102(e) as being anticipated by Breck et

al (U.S Patent No 2004/0210449).

7.   As per claim 1, Breck et al teach a method of conducting a transaction using a payment

account for payment over a payment network, the method comprising receiving by a service

provider other than an issuer of the payment account a first authorization request for the

authorization of a the transaction using a first payment account number, wherein the first

payment account number has a service provider identification number that is associated with the

service provider other than the issuer and is associated with a second payment account number

that has an issuer identification number associated with an the issuer the second payment account

number not being included in the first authorization request; the first authorization request

includes a first acquirer code associated with an acquirer; and the first authorization request is

routable through the payment network to the service provider based on the service provider

identification number; responsive to the first authorization request, transmitting by the service

provider a second authorization request for authorization of the transaction using the second

payment account number, the second authorization request including a second acquirer code

associated with the service provider and being routable through the payment network to the

issuer based on the second issuer identification number; receiving from the issuer a response to

the second authorization request transmitted by the service provider the response including the

second acquirer code and being routable through the payment network based on that code; and

transmitting from the service-provider to the acquirer a response to the first authorization request

.received by the service provider based on the response to the second authorization request

received by the service-provider from the issuer, the response to the first authorization request

including the first acquirer code and being routable through the payment network based on that

code (*see fig 1, 8, pps 0048, 0052, 0053, 0054, 0058, 0059, 0066, 0074, 0076-0083, 0090, 0094*).

8.   As per claim 2, Breck et al teach a method wherein the response to the second

authorization request from the issuer further includes the second payment account number, and

the response to the first authorization request by the service provider further includes the first

payment account number (*see fig 1, 8, pps 0048, 0052, 0053, 0054, 0058, 0059, 0066, 0074,

0076-0083, 0090, 0094*).

9.   As per claim 3, Breck et al teach a method wherein the first authorization request

comprises a message authentication code including transaction data, and the request is formatted

with a standard track having a plurality of fields including a discretionary field in which the

message authentication code is placed (*see fig 1, 8, pps 0048, 0052, 0053, 0054, 0058, 0059,

0066, 0074, 0076-0083, 0090, 0094*).

10.   As per claim 4, Breck et al teach a method wherein the service provider verifies the

message authentication code (*see fig 1, 8, pps 0048, 0052, 0053, 0054, 0058, 0059, 0066, 0074,

0076-0083, 0090, 0094*).

11.   As per claim 5, Breck et al teach a method of conducting a transaction with a merchant

over a communications network using a first payment account number that is associated with a

second payment account number, the method comprising generating a message authentication

code based on one or more transaction details; transmitting at least the first payment account

number and the message authentication code to the merchant; requesting by the merchant an a

first authorization for payment of the transaction using the first payment account number, the

second payment account number not being included in the first authorization request, the request

being formatted as if payment were tendered at a point-of-sale terminal with a conventional

magnetic-stripe payment card, the format having a track with at least a discretionary data field

and the message authentication code being transmitted in the discretionary data field; responsive

to the authorization request for the first payment account number, requesting an authorization for

payment of the transaction using the second payment account number; and accepting or

declining the authorization request for the first payment account number based on the response to

the authorization request for the second payment account number and the message authentication

code wherein the first and second payment account numbers include respective service provider

and issuer identification numbers, wherein a service provider other than the issuer receives the

merchant's request through a payment network based on the service provider identification

number, and wherein the service provider generates the request for authorization of payment

using the second payment account number and routes the request to the issuer through the

network based on the issuer identification number (*see fig 1, 8, pps 0048, 0052, 0053, 0054,*

0058, 0059, 0066, 0074, 0076-0083, 0090, 0094).

12.   As per claim 7, Breck et al teach a method wherein the service provider includes in the

request for authorization for payment an acquirer code associated with the service provider, such

that the response from the issuer is routed back to the service provider (*see fig 1, 8, pps 0048,*

0052, 0053, 0054, 0058, 0059, 0066, 0074, 0076-0083, 0090, 0094).

13.   As per claim 8, Breck et al teach a method wherein the request by the merchant includes

an associated merchant acquirer code, and wherein the service provider generates a message

based on the accepting or declining step and routes that message to the associated merchant

acquirer code (*see fig 1, 8, pps 0048, 0052, 0053, 0054, 0058, 0059, 0066, 0074, 0076-0083,*

0090, 0094).

14.   As per claim 9, Breck et al teach a method of conducting a transaction over a

communications network, the method comprising: issuing by an issuer having an issuer

identification number a first payment account number to a user having a computer, the issuer

identification number being associated with the first payment account number; providing a

security module for generating a secret key unique to each first account number issued,

generating a second account number associated with the first payment account number;

providing a secure payment application by a service provider to the computer, the application

comprising the second account number and the secret key; storing the secure payment

application on the computer; selecting a merchant with whom to conduct the financial

transaction, the merchant having an associated acquirer code identification number; passing to

the computer transaction data; computer generating a message authentication code based on the transaction data; transmitting track data in standard track image format to the merchant, the track data comprising the computer generated message authentication code and the second account number wherein the computer generated message authentication code is directly positioned in the discretionary data field of the standard track image format, generating a first authorization request based on the data; transmitting the first request to the service provider; verifying the first request with the secret key; obtaining the first payment account number associated with the second account number; transmitting a second authorization request using the first payment account number to the issuer identification number associated with the first payment account number; and authorizing or rejecting the second request (*see fig 1, 8, pps 0048, 0052, 0053, 0054, 0058, 0059, 0066, 0074, 0076-0083, 0090, 0094*).

15.   As per claim 10, Breck et al teach a method wherein the track data comprises a discretionary data field, an account number field, and an expiration date field, and wherein the transmitting track data step further includes placing the message authentication data in the discretionary data field; placing the second account number in the account number field; and placing an expiration date in the expiration date field (*see fig 1, 8, pps 0048, 0052, 0053, 0054, 0058, 0059, 0066, 0074, 0076-0083, 0090, 0094*).

16.   As per claim 11, Breck et al teach a method wherein the transaction data include the associated acquirer code and a transaction amount (*see fig 1, 8, pps 0048, 0052, 0053, 0054, 0058, 0059, 0066, 0074, 0076-0083, 0090, 0094*).

17.   As per claim 12, Breck et al teach a method wherein the verifying step further includes

verifying the transaction data (*see fig 1, 8, pps 0048, 0052, 0053, 0054, 0058, 0059, 0066, 0074,*

0076-0083, 0090, 0094).

18.   As per claim 13, Breck et al teach a method wherein the second authorization request

includes an a second acquirer code associated with the service provider, and further comprising

generating a message based on the authorizing or rejecting, forwarding the message to the

service provider based on the acquirer code; and using the merchant's associated acquirer code to

advise the merchant of the message (*see fig 1, 8, pps 0048, 0052, 0053, 0054, 0058, 0059, 0066,*

0074, 0076-0083, 0090, 0094).

19.   As per claim 14, Breck et al teach a method of conducting a transaction involving a

merchant over an electronic payment network, the method comprising: receiving data related to

the transaction from the merchant; transaction; computing a message authentication code based

on the data related to the placing the message authentication code in a portion of the

discretionary data field of a standard payment card magnetic stripe track format to form a track

image; and transmitting the track image, including the message authentication code, over the

payment network, without first storing the message authentication code on a magnetic

stripe of a payment card (*see fig 1, 8, pps 0048, 0052, 0053, 0054, 0058, 0059, 0066, 0074,*

0076-0083, 0090, 0094).

20. As per claim 15, Breck et al teach a method wherein the computing a message authentication code is further based on a transaction sequence number (*see fig 1, 8, pps 0048, 0052, 0053, 0054, 0058, 0059, 0066, 0074, 0076-0083, 0090, 0094*).

21. As per claim 16, Breck et al teach a method wherein placing the message authentication code in a portion of the discretionary data field further includes inserting at least a portion of the transaction sequence number in a portion of the discretionary data field of the track image, and wherein transmitting the track image further includes transmitting the at least a portion of the transaction sequence number over the payment network (*see fig 1, 8, pps 0048, 0052, 0053, 0054, 0058, 0059, 0066, 0074, 0076-0083, 0090, 0094*).

Conclusion

22. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure. (*see form 892*).

Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL.** See MPEP § 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period
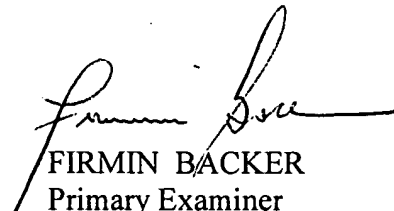
will expire on the date the advisory action is mailed, and any extension fee pursuant to 37

CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event,

however, will the statutory period for reply expire later than SIX MONTHS from the date of this

final action.

Any inquiry concerning this communication or earlier communications from the

examiner should be directed to FIRMIN BACKER whose telephone number is 571-272-6703.

The examiner can normally be reached on Monday - Thursday 9:00 AM - 5:00 PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's

supervisor, Andrew J. Fischer can be reached on (571) 272-6779. The fax phone number for the

organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent

Application Information Retrieval (PAIR) system. Status information for published applications

may be obtained from either Private PAIR or Public PAIR. Status information for unpublished

applications is available through Private PAIR only. For more information about the PAIR

system, see http://pair-direct.uspto.gov. Should you have questions on access to the Private PAIR

system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would

like assistance from a USPTO Customer Service Representative or access to the automated

information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

FIRMIN BACKER
Primary Examiner
Art Unit 3621

November 2, 2006